

NEW SOUTH WALES.

BUSINESS STATISTICS - MONTHLY DIGEST.

5th August, 1941.

C O N T E N T S.

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NEW SOUTH WALES (AUSTRALIA)

MONTHLY DIGEST OF BUSINESS STATISTICS.

AUGUST, 1941.

GENERAL. Japan's move into Indo-China has given new urgency to Australia's war preparations. Progress in expanding the Armed Forces has created problems of man-power and of industrial capacity. The call up of about one-quarter of the militia forces for full-time duty on 1st October, 1941 and training of another one-half of those forces for six (instead of three) continuous months will add to the difficulties of labour supply.

Implementing the administrative reorganisation (outlined last month) the Commonwealth has appointed -

- a Director of War Organisation of Industry (to effect with minimum disturbance the transfer of plant and men from civilian to war production),
- a Director (as Chairman of the Man-power Priorities Board) to co-ordinate the supply of man-power for the fighting services and industry,
- a Controller of Tanks and Armoured Fighting Vehicles (in the Dept. of Munitions), and
- a Business Member of the Military Board.

A self-contained Division of the Dept. of Supply has been established in New South Wales. Regulations have been made providing for the employment of prisoners of war.

Munitions making and aircraft construction is expanding, steps to produce aluminium from local bauxite are being taken and merchant ship-building has begun. Plans to increase the supply of and use of substitute motor fuels are being implemented.

Australia has taken economic measures against Japan; is sending a trade delegation to the United States, and has exchanged Ministers with China. Economic conditions are marked by financial strength, buoyancy of domestic trade, and outstandingly, the expansion of industrial activity and employment. In some respects civilian enterprise has been curtailed but except within limited fields (motor trade, etc.) these repressions have meant personal inconvenience and have not prejudiced the economy as a whole.

EMPLOYMENT. The number of persons in employment in New South Wales in June, 1941 (908,710) was 76,804 greater than in August, 1939. Increases in the first ten and latest ten months of the war period were:-

<u>Aug. to June</u>	<u>Private</u>	<u>Government</u>	<u>Local</u>	<u>All</u>	<u>All</u>
	<u>Employ.</u>	<u>Employ.</u>	<u>Government.</u>	<u>Employment.</u>	<u>Factories.</u>
Increase or Decrease (-) in persons employed					
1939-40	19,855	5,900	- 1,265	24,490	12,100
1940-41	31,092	8,000	- 708	38,384	28,000

Adult males registered as unemployed at State Labour Exchanges numbered 17,193 in June, 1941, 44,201 in June, 1940 and 52,851 in August, 1939. The reserve of labour is now small. Gradual transfers of workers from non-essential to war industries and greater employment of women will be necessary to meet labour requirements for increased war production. Employment has increased most in factories; (see percentages at foot of table following) in other occupations increases are the result mainly of that development or due to measures taken to meet wartime conditions.

/EMPLOYMENT.....

EMPLOYMENT IN NEW SOUTH WALES.

(Excluding Relief Workers and Men in the Armed Forces not on Private Paysheets).

Middle week of	All Employment.				Employed by Firms with Ten or More Employees.					
	Total Employment.	Private Employment.	In all Factories ϕ	Mines	Retail Trade	Whole-sale Trade.	Offices & Commerce	Shipg. & Road Tmspt.	Person-al Ser-vices \times	Other Indus-tries.
	Number of Persons Employed - Thousands.									
June, 1939	831.6	678.6	229.0	20.9	51.7	25.2	27.3	20.2	29.8	19.6
Aug., 1939 (a)	831.8	680.3	228.7	21.7	51.3	25.4	27.1	20.7	30.1	18.5
June, 1940	856.6	700.2	240.8	21.1	51.6	25.9	28.7	22.4	30.5	18.3
May, 1941	906.6	743.6	272.2	20.9	53.2	26.7	29.2	22.6	31.0	18.0
June, 1941 (b)	908.7	748.5	276.3	20.8	53.1	26.6	29.0	20.7	31.8	17.6
Increase (a) to (b)%	9.2	10.0	20.8	-4.1	3.5	4.7	7.0	-	5.6	-4.9

ϕ Includes working proprietors. \times Includes hospitals, professions, amusements
Hotels, etc. Minus sign (-) denotes decrease.

MANUFACTURING INDUSTRIES.

The index number (Av. 1928-29 = 100) of factory employment rose from 110 in June, 1936 to 127 in June, 1939 and to 153 in June, 1941, when the record number of 276,300 persons was employed. During the war period 47,600 persons entered factories, including 31,500 engaged in the year ended June, 1941. These increases reflect the growing industrial war effort. Textile, clothing and boot manufacturers are engaged mainly upon, and obliged to give priority to, war orders. Plans are being implemented to expand production of armoured fighting vehicles, arms and munitions, aircraft and engines, aluminium (from local bauxite) power alcohol, producer gas units and charcoal; and merchant ship-building (to proceed along with naval ship-building) has begun. Labour requirements will increase greatly. A census of man-power in factories taken on June 15, 1941 will facilitate the task of using skilled and semi-skilled labour to the best advantage.

Particulars of employment in private factories with ten or more employees (appended) reveal the dominance of war industries in the recent growth of secondary industries. These figures exclude Government munitions, etc. factories which also have added many employees.

EMPLOYMENT IN PRIVATE FACTORIES WITH TEN OR MORE EMPLOYEES, N.S.W.

Middle week of -	Cement Bricks, Glass, &c.	Chemicals.	Industrial metals.	Textiles & Cloth-ing.	Food and Drink	Wood-work-ing &c.	Paper & Print-ing	Rubber
	Number of Persons Employed - Thousands.							
Aug., 1939(a)	11.51	7.24	61.78	36.96	27.96	9.89	14.81	3.68
June, 1940	11.80	8.41	65.31	39.12	28.52	9.50	15.02	4.15
May, 1941	12.96	9.28	85.54	41.43	30.56	10.62	14.74	4.52
June, " (b)	13.07	9.48	88.03	41.80	30.70	10.71	14.84	4.62
Incr.(a) to (b)	13.6%	30.9%	42.5%	13.1%	9.8%	8.3%	0.2%	25.5%

Industrial expansion accounts for the increase of about 14½ per cent. in the consumption of gas and electricity in Sydney and suburbs between June, 1939 and June, 1941. In forty-two large factories (many of which are engaged directly or indirectly on war work) sales in the five months ended May were £20.04 m. in 1941, compared with £17.32m. in 1940 and £15.24m. in 1939. In May, 1941 these factories employed 20 per cent. more work-people and paid out 36 per cent. more in salaries and wages than in May, 1939. A substantial part of the increase in wage-earnings was due to full time and overtime working.

TRANSPORT: The State Railways are carrying more freight and passengers and State tramways and omnibuses more passengers than ever before. This is attributable to increased economic activity and traffic arising from defence activities and has made operations more profitable; together these services had a working

/surplus.....

surplus (before meeting interest etc. charges) of £7.57 m. in July-May, 1940-41 or £2.1 m. more than in July-May, 1938-39. The Commonwealth has appointed a Director of Land Transport to ensure the most economical use of rail and road transport facilities.

Plans (outlined previously) to increase production and promote greater use of substitute motor fuels are being put into effect. Drastic rationing of petrol is causing further curtailment of new motor vehicle sales and a drop in June, 1941 of 3,622 in the number of vehicles on the register compared with a decrease of 14,715 between Aug., 1939 and May, 1941 implies an increasing tendency for private motorists to discontinue using their vehicles.

	Government Railways, N.S.W.			Trams and Buses Sydney and Newcastle.		Motor Vehicles *		
	Passen- gers.	Goods Ton Mileage	Working Surplus ^o	Passen- gers.	Working Surplus ^o	New Vehicle Sales.	On Register.	
							Cars.	Lorries &c.
	Eleven Months ended May.					June.	At 30th June.	
	mill.	mill.	£000	mill.	£000	No.p.wk.	000	000
1938	173.6	1,781	5,963	341	726	538	204.6	72.9
1939	171.9	1,684	4,832	344	634	517	216.0	76.7
1940	163.6	1,733	5,329	348	676	185	209.5	75.6
1941	176.0	2,039	6,729	373	841	80	202.6	75.3

* Exclusive of cycles and trailers and of vehicles in Defence services.

^o Excess of earnings over working expenses before meeting interest, etc. charges.

FINANCE. The banking situation in Australia is strong although the trading banks are not as liquid as they were a year ago. This latter is probably a temporary condition due to money having been drawn away in tax payments and War Loan subscriptions.

In N.S.W. deposits increased by £9m. and advances decreased by £4m. between June Qrs., 1940 and 1941. There was in June Qr., 1941 an excess of deposits over advances of £21.8m. contrasting with an excess of advances of £6.2m. in June Qr., 1939. Factors in the increase in deposits were large income from exports in 1939-40 and 1940-41 and public disbursement of money provided by the Commonwealth Bank, some directly to Government, and some for finance of wheat-growers and other primary producers. The Government recently reaffirmed its policy of maintaining money in cheap and adequate supply for all essential purposes.

Small savings increased in 1940-41 as never before. Deposits in savings banks in N.S.W. on June 30, 1941 were £5.64m. greater than a year earlier and during the twelve months about £4.4m. was paid for War Savings Certificates (£3.85m. to Apr. 30).

Average Quarter ended June.	Private Business in Private Trading Banks in N.S.W.				At 30th June.	Savings Banks in N.S.W.	
	Deposits			Advances.		Depositors' Balances.	Open Accounts.
	Fixed	Current	Total				
	£m.	£m.	£m.	£m.		£m.	£m.
1938	62.9	50.5	113.4	118.9	1938	86.9	1,289
1939	64.6	51.4	116.0	122.2	1939	87.5	1,330
1940	66.3	60.4	126.7	117.9	1940	82.1	1,313
1941	65.8	69.9	135.7	113.9	1941	87.8	1,340

INTEREST RATES.

Mortgages. Rates of interest on private first mortgages have shown little change in recent months but on rural mortgages are 0.6 per cent. lower and on urban mortgages 0.3 per cent. lower than in December, 1940

/Rural.....

Rural First MortgagesUrban First Mortgages

	<u>1938</u>	<u>1939</u>	<u>1940</u>	<u>1941</u>	<u>1938</u>	<u>1939</u>	<u>1940</u>	<u>1941</u>
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Weighted average rate of interest - per cent. per annum.

June Qr.	5.0	5.1	5.0	4.9	5.4	5.6	5.6	5.5
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GOVERNMENT SECURITIES. With some interruptions the general trend during the war period has been toward lower interest yields on Government securities. Latterly the bond market has been very firm, investors securing an average return of less than 3 per cent. on 5-10 year securities. Weighted averages (calculated on the earliest date of maturity) for bonds maturing in 10 or more years show interest yields as follow:-

Average for year

<u>1936</u>	<u>1937</u>	<u>1938</u>	<u>1939</u>	<u>1940</u>	<u>June</u>	<u>Sept.</u>	<u>Dec.</u>	<u>1941</u>	<u>Mar.</u>	<u>June</u>
78	77	75	78	66	64	62	60.5	60.75		

Weighted average rate of interest (shillings per £100) per annum.

STOCK EXCHANGE. Following trends in New York and London the Sydney Stock Exchange tended firmer in July and the average value of ordinary company shares was higher than in May or June, though lower than in other months of this year. Stability has been the characteristic - monthly average values have varied no more than 6 per cent. since October, 1940:-

<u>Jan.</u>	<u>June,</u>	<u>Oct.,</u>	<u>Jan.,</u>	<u>Apr.,</u>	<u>June,</u>	<u>July,</u>
<u>1940.</u>	<u>1940</u>	<u>1940</u>	<u>1941</u>	<u>1940</u>	<u>1941.</u>	<u>1941.</u>

Monthly average value of ordinary company shares.

Index No.	182	151	168	174	168	166	(168)
(Par = 100)							

PUBLIC FINANCE. Commonwealth receipts exceeded expenditure in 1940-41 but as the revenue available after meeting ordinary services was appropriated for war purposes the year ended with an exactly balanced budget. Instead of the anticipated deficit of £1,539,000 the State Government accounts closed with a deficit of £624,000.

GOVERNMENT OF NEW SOUTH WALESYEAR ENDED JUNE.

	<u>1937</u>	<u>1938</u>	<u>1939</u>	<u>1940</u>	<u>1941</u>
	<u>£m.</u>	<u>£m.</u>	<u>£m.</u>	<u>£m.</u>	<u>£m.</u>
Revenue	55.19	60.09	58.85	63.26	67.78
Expenditure - Ordinary Services	53.55	58.33	59.82	63.53	66.26
- Sinking Fund	1.50	1.64	1.78	1.97	2.14
Balance (Sinking Fund provided)	+ .14	+ .12	-2.75	-2.24	-.62
Net Result (before providing Sinking Fund)	+1.64	+1.76	-.97	-.27	+1.52

TRADE AND COMMERCE. Oversea trade figures for the State are not available. Australian exports and imports both have decreased, reflecting the shipping position, but were in approximate balance in 1940-41 without taking into account export commodities paid for but not actually shipped.

Inter-bank clearings in Sydney have risen to a record level - for June Qr., 1941 the index number (1926-29 = 100) was 123 compared with 101 in June Qr., 1939. The increase (as to some part probably technical and affected by the higher price level) reflects Government war spending, unprecedented industrial activity and generally buoyant trade conditions. There has been some revival in sales of real estate; wholesalers and manufacturers appear to have enjoyed a greater turnover and in retail trade there have been heavy sales which traders attribute to public reactions to

/expectations.....

expectations of shortages of civilian supplies as more and more industrial capacity is turned over to war production. Stocks in shops show a slight decrease in total value compared with a year ago.

	Bank Clearings. (Sydney.)		Wholesale Trade (N.S.W.)		Retail Trade (Sydney)	Real Estate (N.S.W.)	
	Amount		Sales ø		Sales	Sales	Mortgages
	June.	Jan.-June	May	Jan.-May	Mar.-May	Jan.-June	
	£m.	£m.	£m.	£m.	Index No. 1931 = 100	£m.	£m.
1938	86.8	471.1	16.88	79.43	142	18.6	13.4
1939	80.3	455.5	17.46	78.81	142	16.5	11.5
1940	94.5	528.4	14.85	80.67	148	14.6	8.9
1941	97.4	552.2	18.75	88.53	172	16.1	7.7

ø Includes direct factory sales to Government, etc.

BUILDING INDUSTRY. The value of building permits in Sydney and suburbs was unusually high (£1.38m.) in June, but in June Qr. (£3.23m.) approximated that in June Qr., 1939 and was about 12 per cent. below the value in June Qr., 1938. Partly the result of official restrictions proposals for buildings other than houses, flats (for moderate rentals) and factories have fallen off greatly. Permits for houses in June Qr., 1941 were a record in value (though not in number, partly because of increased costs of building). Comparative particulars are as follow:-

PRIVATE BUILDING PERMITS GRANTED - SYDNEY AND SUBURBS.

PERIOD.	Houses		Flats, etc.	Hotels, Guest Houses	Shops, etc.	Factor- ies, etc.	Other Build- ings.	Total Value	Dwell- ings Proposed
	Brick &c.	Wood, Fibro							
	£000	£000	£000	£000	£000	£000	£000	£000	No.
June Qr. 1938	1,351	232	925	289	151	292	449	3,689	3,307
1939	1,130	261	861	122	107	344	405	3,230	2,781
1940	1,171	386	668	99	97	239	319	2,979	2,653
1941	1,575	264	806	19	80	285	205	3,234	3,001
Year, 1939-40	4,492	966	2,413	532	470	1,085	1,479	11,437	9,159
" 1940-41	5,308	756	2,962	358	319	1,209	1,094	12,006	10,305

Contracts for public buildings and permits for private buildings in Sydney and suburbs totalled £12.49m. in 1939-40 and £13.28 m. in 1940-41. For private buildings only the total in 1938-39 was £13.33m. Pending establishment of a Housing Commission the State Government has set up a committee to deal with housing of war workers. £100,000 has been set aside already for that purpose.

RURAL INDUSTRIES. Sufficient rain has fallen to germinate and carry wheat crops forward and in most sheep districts there is adequate pasturage. Copious rains are needed to ensure continued favourable conditions. Along the coastal belt important sections are very dry and the seasonal decline in dairy production has been greater than usual.

PRODUCTION OF BUTTER IN NEW SOUTH WALES FACTORIES.

	Av. 1932-36	1937	1938	1939	1940	1941
June mill. lb.	6.22	4.82	5.27	7.74	5.06	5.18
July-June "	128.91	105.98	115.93	113.84	112.02	103.68

Experiments in shipment of cheese to Britain as unrefrigerated cargo have been successful and the Commonwealth Government is guaranteeing loans through the Commonwealth Bank to factories for expenditure involved in changing over from butter to cheese manufacture.

It is now expected that the N.S.W. maize harvest will be nearly 5 million bushels. Last season 2.83 m. bus. were produced and the annual average 1936-40 was 3.15 m. bus.
/On July.....

On July 28 it was disclosed that there remain 42.2 m. bus. of unsold wheat in Australia, together with nearly 25 m. bus. sold but not shipped. After allowing for local trade and requirements for export flour the carry-over available for export as wheat is about 16m. bus.

Because supplies will be reduced some form of rationing of superphosphate, discriminating between industries will be needed this year. The Commonwealth is granting a subsidy of 25s. a ton on superphosphate which will largely offset for farmers a recent authorised increase in price of that fertiliser.

The 1941-42 wool clip is now coming in and is expected to be larger and better in quality than last season's clip. Appraisements begin in Sydney on August. 11, 1941.

THE WORLD WHEAT SITUATION.

(Exportable surpluses in Canada and U.S.A. will increase again in 1941-42. European stocks are being reduced and while the war lasts cannot be replenished. Argentine crops are growing well. The Australian carryover from 1940-41 will be small. Australia and Canada are to produce power alcohol from wheat. World shipments of wheat tend to decline. Prices are high in Chicago due to internal factors, but show little change elsewhere. The local market is quiet and wheat and flour prices are unchanged.)

International Wheat Conference.

According to press cables the International Wheat Conference which met in Washington last month reached "surprising unanimity of views on quotas, prices, shipping and other special wartime considerations". The representatives are submitting suggestions to their respective Governments. The shipping problem is regarded as the fundamental difficulty.

Statistical Position.

The table given in B.S. 1941/7A at page 6 indicates that in principal exporting countries there will be carried over and available for export at the close of this wheat year (i.e. on July 31, 1941) more than 1,100 million bushels of wheat. It appears that under present conditions world shipments of wheat are likely to be between 300 and 350 m. bus. a year. Hence, without surpluses from the crops. of 1941-42 exportable stocks are more than sufficient to meet three years wartime requirements. There is every indication that exporting countries will harvest considerably more wheat than they can use in 1941-42. In Canada, the United States, Argentina and Australia provision is being made for increased storage space for wheat.

While the war lasts the state of Continental supplies of bread grains is divorced from the world statistical position, but depletion of stocks will mean post-war demand for wheat accumulated in the exporting countries. Precise information cannot be expected but stocks in Europe must be diminishing. Imports of wheat in the last two years have been cut by some 400 m. bus. and the best estimates available suggest decreases in wheat production in enemy-occupied Europe approaching 600 m. bus. It is believed, however that harvest of coarse bread grains have been more nearly normal and therefore the breadstuffs position is not so bad as the wheat estimates imply.

Harvest, 1941-42.

Harvesting is now well advanced in the United States and in a few weeks farmers will be stripping on the Canadian Prairies. Estimates for the United States indicate a surplus of about 200 m. bus. above domestic requirements. In Canada unfavourable weather reduced prospects during June. At July 1, 1941 crop condition was reported as 80 per cent. of normal compared with 98 per cent. a month earlier. It is believed the harvest may be about 300 m. bus. Through this is 250 m. bus. below the very large 1940 crop it exceeds Canadian requirements by at least 150 m. bus.

PRODUCTION OF WHEAT IN CANADA AND U.S.A.

	<u>Aver.</u> <u>1929-33.</u>	<u>Aver.</u> <u>1934-38.</u>	<u>1938.</u>	<u>1939.</u>	<u>1940.</u>	<u>Est.</u> <u>1941.</u>
Canada	354	263	350	521	551	300
U.S.A. Spring	211	158	244	192	228	232
Winter	<u>573</u>	<u>559</u>	<u>688</u>	<u>563</u>	<u>589</u>	<u>682</u>
Total	<u>1,138</u>	<u>980</u>	<u>1,282</u>	<u>1,276</u>	<u>1,368</u>	<u>1,214</u>

Broomhall ^{estimates} believes the European crop of 1941 will be at least 25 per cent. below "normal," but regarding grain production in German-occupied countries must be treated with reserve. Western Europe has had good harvesting weather after beneficial rain in the closing stages of crops. Rain interfered with harvesting in the Balkan Countries and in Turkey. Mr. Churchill stated recently that "the greatest harvest Britain had ever known would be reaped this year". Spanish wheat production is now estimated privately at 110 m. bus. compared with 121 m. bus. last year, and is about 30 per cent. below the average in 1929-33.

/North.....

North African harvests are likely to be below average, and enquiry for Australian wheat suggests that Egypt will produce less wheat than in 1940 when there was a small export surplus. For Syria and Lebanon the most recent estimate is 27.6 m. bus. - a record crop. At 58 m. bus. (a recent estimate) Japan will have a crop 8 m. bus. smaller than that of 1940 but about 30 per cent. above the average in 1934-38.

Reports from Argentina indicate satisfactory development of wheat crops. Contrary to expectations most growers have sown full areas thereby forfeiting the guarantee of the price of 6.75 pesos per quintal available to farmers who reduced wheat acreage by at least 10 per cent. at the Government's request.

Wheat sowing in Australia was carried out with some difficulty but sufficient rain has fallen in principal wheat belts to germinate and establish the crops. In many parts, however, copious rains are needed to assure continued satisfactory growth. The wheat acreage in New South Wales is expected to show a small reduction compared with the area sown last year. Except in Western Riverina where frosts and dry weather have retarded growth crops are in good condition.

Wheat Industry Stabilisation. (Aust.) Amending Regulations made on July 31, 1941 permits registration of farms with areas prepared or fallowed for wheat before Jan. 1, 1941, and required that wheat grown on an unregistered farm shall not be allowed to mature for grain, excepting that pig and poultry feeders may be permitted to harvest grain for use on the farm from areas of not more than ten acres.

Australian Wheat Pools. All wheat grown in 1940-41 is required to be delivered into No. 4 Pool not later than August 9, 1941. Deliveries made after that date will be surcharged a penny a bushel.

Late in July the Australian Wheat Board revealed that in the 21 months of operation to date it had sold 234,034,000 bushels of wheat of which 209,112,000 bus. had been shipped or disposed of in Australia. Growers had been paid £45,884,000 and the Board's overdraft was £7,700,000.

Particulars regarding the disposal of wheat in 1940-41 were given as under:-

		Bushels
Carryover from No. 2 Pool and receipts in 1940-41		89,318,000
Wheat sold		47,077,000
	Remaining unsold	42,241,000
Required for local flour.	14,500,000	
" " export flour	8,000,000	
" " local produce trade	3,750,000	26,250,000
Available for export as wheat and carryover		15,991,000

Beside the unsold wheat the Board had nearly 25 million bushels of wheat sold but not shipped in its care. South and Western Australia are the only States with wheat available for export as grain. The Board has imported ample supplies of cornsacks (252,000 bales) for the 1941-42 harvest and on this account had an overdraft of £765,000.

Wheat for Power Alcohol. It has been announced that the Commonwealth Government will establish four distilleries (one in each major wheat producing State) to produce power alcohol from wheat, each of a capacity of three million gallons a year. Primarily undertaken to increase local sources of supply of motor fuel, the undertaking will mean the absorption in Australia of about 5 m. bus. of wheat a year at a time when export opportunities are circumscribed.

The Canadian Bureau of Foreign and Domestic Commerce recently announced plans to produce enough alcohol to give Canada a standard blend of 90 per cent. petrol and 10 per cent. alcohol. If these plans are put into effect about 40 million bushels of wheat a year will be required for the distilleries.

World Trade in Wheat.

Trade figures show that world shipments of wheat are decreasing again after the heavy movement following upon opening of navigation to St. Lawrence ports. In the last four weeks shipments (as given) averaged about 6 m. bus. a week compared with nearly $9\frac{1}{2}$ m. bus. a week in the twelve weeks ended about June 30 and upwards of 12 m. bus. a week in the season 1938-39. Great Britain is the only big market. It is reported that Spain and Brazil each have been enquiring for 10 to 15 m. bus. of wheat from Argentina. Shipping difficulties and high charter rates reinforce the blockade of Continental Europe in restricting the wheat trade. A press cable from Bucharest states Rumanian grain exports in Jan.-June, as 193,073 tons in 1941 and 834,441 tons in 1940.

Prices. Reacting to local political conditions wheat prices have risen in Chicago and on Aug. 1, 1941 Sept. options at $108\frac{7}{8}$ cents a bushel were $22\frac{5}{8}$ cents a bushel above the average near futures quotation in March, 1941. Import quotas (permitting only negligible imports) have been applied by the U.S.A. Government to preclude entry of lower priced wheat from other countries. The Winnipeg market has weakened (quotations fell about 5 cents a bus. between July 19 and Aug. 1) and for October futures the price on Aug. 1, 1941 was $73\frac{7}{8}$ cents a bus. and lowest in 1941.

Prices have been kept steady in London for many months. Quotations compare as follow:-

PRICES OF WHEAT PARCELS - LONDON BAL TIC EXCHANGE.

	<u>June,</u> <u>1937.</u>	<u>July</u> <u>1938.</u>	<u>July,</u> <u>1939.</u>	<u>July,</u> <u>1940.</u>	<u>Apr.,</u> <u>1941.</u>	<u>June,</u> <u>1941.</u>	<u>July,</u> <u>1941.</u>
	Shillings and pence per quarter (8 bus.) (end of month)						
No. 1 Manitoba	51 $7\frac{1}{2}$	35 6	23 $7\frac{1}{2}$	30 6	32 9	32 $4\frac{1}{2}$	31 $4\frac{1}{2}$
Rosafe (A'tine.)	n.q.	30 3	18 0	n.q.	20 9	20 6	21 0
Sth. Australia.	45 0	30 9	19 3	26 9	27 6	27 6	27 6

n.q. not quoted.

Local Market. As no wheat for export as grain is available in N.S.W. trading in Sydney is limited to local flour and produce requirements and intermittent buying of wheat for export flour. Prices for the latter are quoted on application. The Wheat Board's price for wheat for flour for local consumption is unchanged (since Aug. 5, 1940) at 3s.11 $\frac{1}{4}$ d. a bus. for bulk wheat, ex trucks, Sydney, compared with 4s. a bus. a year ago. In July, 1939 shippers were offering 2s. 3 $\frac{1}{2}$ d. a bus., ex trucks, Sydney. Wheat prices in Sydney in recent seasons are shown in the following table:-

PRICES OF BULK WHEAT - SYDNEY.

Monthly Average - Per Bushel, ex Trucks, Sydney. ø
(Excluding bounty and including storage charges when payable.)

Seasons ended Nov.	Av. for Season.	Dec.	Mar.	Apr.	May.	June	July
1933-34	2 9	2 7	2 6	2 6	2 7	2 9	2 11
1936-37	5 3	5 4	5 $4\frac{1}{2}$	5 5	5 4	5 1	5 7
1938-39	2 5	2 6	2 4	2 5	2 7	2 5	2 $3\frac{1}{2}$
1939-40	3 $10\frac{1}{2}$	3 5	3 $9\frac{1}{2}$	3 11	4 0	4 0	4 0
1940-41	-	3 $11\frac{1}{4}$	3 $11\frac{1}{4}$	3 $11\frac{1}{4}$	3 $11\frac{1}{4}$	3 $11\frac{1}{2}$	3 $11\frac{1}{2}$

ø Shippers' offers to Dec., 1939; Aust. Wheat Board's price for wheat for local flour subsequently.

Advances made by the Australian Wheat Board for wheat in No. 4 Pool (1940-41) amount to 3s.4d. for bagged and 3s.2 $\frac{1}{2}$ d. for bulk wheat, less rail freight, equivalent to about 2s.9 $\frac{1}{2}$ d. per bushel, at country siding. A further payment is probable.

Flour. Particulars of flour exported from New South Wales are not available for publication. The price of flour at wholesale in Sydney (£12.13s. a ton) has not been varied since Nov. 14, 1940. The price includes flour tax at the rate of £2.8s.10d. a ton (unchanged since Oct. 23, 1940).

